## **Introduced by Assembly Member Charles Calderon**

September 2, 2011

An act to amend Sections 33500 and 33501 of, and to add Part 1.95 (commencing with Section 34197) to Division 24 of, the Health and Safety Code, relating to redevelopment.

## LEGISLATIVE COUNSEL'S DIGEST

AB 46, as introduced, Charles Calderon. Redevelopment agencies: public improvement projects.

Existing law provides for the elimination of redevelopment agencies previously established to address the effects of blight, as defined. Existing law establishes successor entities that are responsible for winding down the affairs of the redevelopment agencies, as specified. Existing law establishes a voluntary alternative redevelopment program whereby a redevelopment agency may continue to exist if the city or county takes specified actions, including adopting an ordinance to comply with the requirements of the program.

This bill, notwithstanding provisions of law relating to the elimination of redevelopment agencies, would authorize a redevelopment agency to continue in full force and effect with respect to any public improvement project under the jurisdiction of that agency if the public improvement project was initiated by a vote of the agency prior to January 1, 2011, and the agency expended funds for the design, engineering, environmental review, and site acquisition for the public improvement project prior to January 1, 2011, as specified.

Existing law provides, for purposes of the adoption or amendment of a redevelopment plan that occurred prior to January 1, 2011, or findings  $AB 46 \qquad \qquad -2 -$ 

or determinations made by the agency or the legislative body prior to January 1, 2011, that an action may be brought to determine the validity of the adoption or amendment of a redevelopment plan or the findings or determinations made by the agency or the legislative body within 90 days of those acts. Existing law provides that an action may be brought to determine the validity of those acts within 2 years for purposes of ordinances adopted or findings or determinations made on or after January 1, 2011.

This bill would provide that the amendment or adoption of a redevelopment plan or the making of findings or declarations by the agency or legislative that occur on after January 1, 2011, shall be subject to the 90-day time limit for a validating action if the adopted ordinance or the findings or determinations directly relate to a public improvement project under the jurisdiction of that agency if the public improvement project was initiated by a vote of the agency prior to January 1, 2011, and the agency expended funds for the design, engineering, environmental review, and site acquisition for the public improvement project prior to January 1, 2011,

The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. Governor Schwarzenegger issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 6, 2010. Governor Brown issued a proclamation on January 20, 2011, declaring and reaffirming that a fiscal emergency exists and stating that his proclamation supersedes the earlier proclamation for purposes of that constitutional provision.

This bill would state that it addresses the fiscal emergency declared and reaffirmed by the Governor by proclamation issued on January 20, 2011, pursuant to the California Constitution.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Section 33500 of the Health and Safety Code is amended to read:
- 3 33500. (a) Notwithstanding any other provision of law,
- 4 including Section 33501, an action may be brought to review the
- 5 validity of the adoption or amendment of a redevelopment plan at
- 6 any time within 90 days after the date of the adoption of the

1

\_3\_ AB 46

ordinance adopting or amending the plan, if the adoption of the ordinance occurred prior to January 1, 2011, or if the adoption of the ordinance occurred after January 1, 2011, and the ordinance directly relates to a public improvement project that was initiated by a vote of the agency and for which funds have been expended for the design, engineering, environmental review, and site acquisition of the public improvement project prior to January 1, 2011.

- (b) Notwithstanding any other—provision—of—law, including Section 33501, an action may be brought to review the validity of any findings or determinations by the agency or the legislative body at any time within 90 days after the date on which the agency or the legislative body made those findings or determinations, if the findings or determinations occurred prior to January 1, 2011, or if the adoption of the findings or determinations were made after January 1, 2011, and the findings or determinations directly relate to a public improvement project that was initiated by a vote of the agency and for which funds have been expended for the design, engineering, environmental review, and site acquisition of the public improvement project prior to January 1, 2011.
- (c) Notwithstanding any other law, including Section 33501, and except as provided in subdivision (a), an action may be brought to review the validity of the adoption or amendment of a redevelopment plan at any time within two years after the date of the adoption of the ordinance adopting or amending the plan, if the adoption of the ordinance occurred after January 1, 2011.
- (d) Notwithstanding any other law, including Section 33501, and except as provided in subdivision (b), an action may be brought to review the validity of any findings or determinations by the agency or the legislative body at any time within two years after the date on which the agency or the legislative body made those findings or determinations, if the findings or determinations occurred after January 1, 2011.
- SEC. 2. Section 33501 of the Health and Safety Code is amended to read:
- 33501. (a) An action may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure to determine the validity of bonds and the redevelopment plan to be financed or refinanced, in whole or in part, by the bonds, or to determine the validity of a redevelopment

 AB 46 —4—

plan not financed by bonds, including without limiting the generality of the foregoing, the legality and validity of all proceedings theretofore taken for or in any way connected with the establishment of the agency, its authority to transact business and exercise its powers, the designation of the survey area, the selection of the project area, the formulation of the preliminary plan, the validity of the finding and determination that the project area is predominantly urbanized, and the validity of the adoption of the redevelopment plan, and also including the legality and validity of all proceedings theretofore taken and (as provided in the bond resolution) proposed to be taken for the authorization, issuance, sale, and delivery of the bonds, and for the payment of the principal thereof and interest thereon. 

- (b) Notwithstanding subdivision (a), an action to determine the validity of a redevelopment plan, or amendment to a redevelopment plan that was adopted prior to January 1, 2011, or that was adopted after January 1, 2011, and directly relates to a public improvement project that was initiated by a vote of the agency and for which funds have been expended for the design, engineering, environmental review, and site acquisition for the public improvement project prior to January 1, 2011, may be brought within 90 days after the date of the adoption of the ordinance adopting or amending the plan.
- (c) Any-Except as provided in subdivision (b), an action that is commenced on or after January 1, 2011, which is brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure to determine the validity or legality of any issue, document, or action described in subdivision (a), may be brought within two years after any triggering event that occurred after January 1, 2011.
- (d) For the purposes of protecting the interests of the state, the Attorney General and the Department of Finance are interested persons pursuant to Section 863 of the Code of Civil Procedure in any action brought with respect to the validity of an ordinance adopting or amending a redevelopment plan pursuant to this section.
- (e) For purposes of contesting the inclusion in a project area of lands that are enforceably restricted, as that term is defined in Sections 422 and 422.5 of the Revenue and Taxation Code, or lands that are in agricultural use, as defined in subdivision (b) of

\_5\_ AB 46

Section 51201 of the Government Code, the Department of Conservation, the county agricultural commissioner, the county farm bureau, the California Farm Bureau Federation, and agricultural entities and general farm organizations that provide a written request for notice, are interested persons pursuant to Section 863 of the Code of Civil Procedure, in any action brought with respect to the validity of an ordinance adopting or amending a redevelopment plan pursuant to this section.

SEC. 3. Part 1.95 (commencing with Section 34197) is added to Division 24 of the Health and Safety Code, to read:

## PART 1.95. COMPLETION OF PRE-EXISTING PUBLIC IMPROVEMENT PROJECTS

34197. Notwithstanding the provisions of Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170), a redevelopment agency shall continue in full force and effect with respect to a public improvement project under the jurisdiction of that agency if the public improvement project was initiated by a vote of the agency prior to January 1, 2011, and the agency expended funds for the design, engineering, environmental review, and site acquisition for the public improvement project prior to January 1, 2011. Part 1 (commencing with Section 33000), Part 1.5 (commencing with Section 34000), Part 1.6 (commencing with Section 34050), Part 1.7 (commencing with Section 34100), and all other applicable laws pertaining to the agency for purposes of the public improvement project shall continue in full force and effect, including, but not limited to, the authority to issue bonds, incur debt, enter into contracts and agreements, acquiring or disposing of real property, and processing environmental studies. Project completion and agency dissolution dates set forth in joint powers agreements, redevelopment plans, or other official documents approved by the applicable governing board for each redevelopment agency shall continue in full force and effect.

SEC. 4. This act addresses the fiscal emergency declared and reaffirmed by the Governor by proclamation on January 20, 2011, pursuant to subdivision (f) of Section 10 of Article IV of the California Constitution.

O